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File No. ~~43-1~~

Serial Nos. 19 & 2

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RESERVED

GENERAL AND REVENUE SECRETARIAT.

erial Nos. Nil

Part B for

SUBJECT.

Schedule of powers which may be delegated to Messrs N. Sirur & Co Ltd as General Managers, S.K. Mills

WD 01965—GPB—15,000—7-7-34

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Codes used—A.B.C., 5th Edn., Bentley's.

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GOVERNMENT OF MYSORE

FINANCIAL [illegible] - 4 FEB 1935 3499

Department of Industries and Commerce.

Mr. A. V. Ramanathan, B.A.,
Director.

OFFICE OF THE DIRECTOR,

D. O. No. SKM - 34.35

Bangalore, dated.....1st February 1935

4593

Dear Sir

I submit herewith for your kind perusal letter dated the 30th Jany. 1935 received from Messrs. A. G. Guruswamy Naidu & Co., Peelamedu, Coimbatore, and copy of my reply thereto.

With best regards,

Yours sincerely
A V Ramanathan

Rajamantrapravina Dewan Bahadur
K. Matthan, B.A.,
First Member of Council,
BANGALORE.

Issues attended to
2/2/35

For kind perusal. The papers will, if approved, be recorded

9-2-35

H Secy) 9.2.35

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12-2-35

13/2/35

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"INDUSCOM" Codes used—A.B.C., 5th Edn., Bentl

GOVERNMENT OF MYSORE

Department of Industries and Commerce.

Mr. A. V. Ramanathan, B.A.,
Director.

OFFICE OF THE DIRECTOR, 5
1st February.

D. O. No.

Bangalore, dated.....

Messrs. A. G. Guruswamy Naidu & Co.,
Managing Agents, The Radhakrishna Mills Ltd.,
Peelamedu, C O I M B A T O R E.

Dear Sirs,

I have received your letter of the 30th Jany. 1935 requesting certain information in the matter of the Sri Krishnarajendra Mills Ltd., Mysore.

As the question of appointment of Managing Agency of the said Mills is not now open, so far as I am aware, I am unable to give you the further information that you desire.

Yours faithfully,
Sd. A. V. Ramanathan,
Director.

AVR:USC)

" COPY "

Director.

Messrs. A. G. Gurusamy Naidu & Co.,

அ. கே. குருசாமி நாயுடு அண்டு கம்பெனி,

MANAGING AGENTS & BANKERS OF
RADHA KRISHNA MILLS, LTD., PEELAMEDU.

PEELAMEDU,

Coimbatore, 30 Jan. *193*5.

To

The Director of Industries,
Mysore.

Sir,

We have the honour to inform you that as we understand, the management of the Krishnarajendra Mills, Limited, Mysore, will be handed over to an experienced Firm having name and fame in the line and we intend applying for the said managing agency

We believe that you will be in touch with all particulars regarding the affairs of the said Mills and we therefore have the honour to request that you will be so good as to inform us in detail the position and machinery equipment of the Mills as at present and also the terms and conditions on which the managing agency is offered and such other particulars as are necessary in the matter.

Awaiting the favour of your kind reply at an early date,

We have the honour to be,
Sir,
Your most obedient servants,

A. G. Gurusamy Naidu & Co.

C.R.

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Codes used—A.B.C., 5th Edn., Bentley's.

GOVERNMENT OF MYSORE

Department of Industries and Commerce.

MR. A. V. Ramanathan, B.A.,
Director.

OFFICE OF THE DIRECTOR,

D. O. No. SKM/34.35/Excl.Six

Bangalore, dated 21st Febry. 35

Dear Sir

As personally promised this morning, I send enclosed copy of my letter to the Financial Secretary of this date together with its enclosures in the matter of entrusting the management of the Sri Krishnarajendra Mills Ltd., to Messrs. N. Sirur & Co.,

With best regards,

Yours sincerely

Rajamantrapravina Dewan Bahadur
K. Matthan, B.A.,
First Member of Council,
BANGALORE.

Tels.—"INDUSCOM" *Codes used*—A.B.C., 5th Edn., Bentle

GOVERNMENT OF MYSORE.

Department of Industries and Commerce.

D. O. No.

SKM./34.35

OFFICE OF THE DIRECTOR,

Bangalore, dated..... 21st Febry. 35

Mr. A. V. Ramanathan, B.A.,
Director.

My Dear Shanmukham

With reference to your letter No. Fl. 6536/GF. dated 5th Febry. 1935 approving of the appointment of Messrs. N. Sirur & Co., as General Managers of the Sri Krishnarajendra Mills Ltd., in accordance with the resolution of the Board of Directors at the meeting held on the 29th December 1934, I beg to submit for the kind reference of Government, copy of my letter No. SKM/34-35 dated the 5th Febry. 1935 to Mr. D. N. Sirur forwarding a draft of a schedule of powers of the General Manager for his information, his reply dated the 12th Febry. 1935 to the same suggesting that the best plan would be "to go to the General Body at the earliest opportunity, with the proposal for the appointment of our Firm as Managing Agents and for the necessary changes in the Articles as originally contemplated", and of my letter dated the 14th Febry. 1935 in reply to the same and his final reply dated the 18th Febry. 1935 again urging the same procedure.

I send herewith the final draft of the draft agreement referred to by Mr. Sirur as arrived at in my discussions with him in December 1934. I request that this draft may kindly be sent to me with the approval of Government after such alterations as they consider necessary, to enable me to take further action through the Board of Directors and the General body of the Sri Krishnarajendra Mills Ld., in accordance with Company Law as required in your letter dated the 30th

1st December 1934.

S. Shamanna, Esq., B.A.,
Financial Secretary to Government,
B A N G A L O R E.

AVR:USC)

Letter No. S.K.M./34-35 dated 5th February 1935 From the Director of Industries and Commerce in Mysore, Bangalore, to D. N. Sirur, Esq., 70 Forbes Street, Fort, Bombay.

***

In continuation of my letters dated the 3rd Febry 1935 I send enclosed a draft of schedule of powers prepared by Mr. M. S. Ramachandra Rao under the existing Articles of Association. I would request you to kindly see items 7, 8, 9, 13 & 17 and let me know after kindly referring to the existing Articles of Association and Agreement with the Government in regard to the two loans, how you would like these to be charged if at all, in conformity with the said articles of Association and agreements. I believe the other items will be exactly as you would have desired.

" C O P Y."

Schedule of Powers that may be delegated to Messrs. M. Sirur & Co., as General Managers.

1. Purchase of raw materials, consumable and other necessary materials required for working the concerns.

2. To sell manufactured goods and unserviceable and surplus articles to the best advantage of the Company.

Note - Where contracts of purchase or sale are entered into with any concern in which the General Managers are financially interested full disclosure of the details of such contracts should be made to the Board of Directors.

3. To appoint agents for the sale of manufactured goods subject to such terms and conditions as may be approved by the Board.

4. To sign all bills, notes, receipts, acceptances, endorsements, cheques, releases, contracts and other documents and to grant receipts for any moneys or goods or property received for and on behalf of the Company.

5. To execute and when necessary to register or cause to be registered all agreement deeds, contracts, receipts and other documents that may be necessary on behalf of the company.

6. To conduct legal and other proceedings in which the company is a party and to sign all plaints, petitions and other documents to be filed in all civil, criminal and revenue courts.

7. To appoint, suspend and remove from office all clerks and other employees on a pay of not more than Rs.60/- a month and to suspend subject to approval of the Board, all other employees.

8. To grant leave to all employees for a period not exceeding one month and to make acting arrangements, provided that the appointments carrying a salary of more than Rs.150/- a month shall be subject to the approval of the Board.

9. To grant advances to members of the staff not exceeding one month's salary subject to a limit of Rs.50/- in each case.

10. To employ and to remove workmen on wages from time to time as may be necessary to carry on the work of the concern.

11. To pay all gratuities and other payments admissible under the rules to the employees of the Mills.

12. To pay all monies sanctioned by the Board.

13. To sanction estimates and arrange for the satisfactory execution of all necessary capital works and all maintenance and repair works necessary in the interests of the concern subject to a limit of Rs.1000/- in each case.

14. To sign endorsements of reduction of share capital on share certificates received.

15. To enforce the company's lien on the shares held by the debtors of the company under Articles 59, 60 & 61.

16. To insure the property of the company for such purposes and to such extent and in such manner as is stipulated in the agreement between the Company and the Government.

17. To write off irrecoverable items of expenditure and arrears of claim not exceeding L.25/- in each case and subject to a limit of L.250/-, in a year.

18. To sub-delegate all or any of the above powers, authorities, and discretions with the approval of the Board.

"C O P Y."

nil

in name and substance, and they think that they cannot divest themselves of the responsibility imposed on them by the Articles as they now stand, to conduct the affairs of the Company in a personal way, as Mr. Baker thought, and consequently cannot delegate any of their powers to our Firm as indicated in the draft Agency Agreement.

In these circumstances, I think that the best plan would be to go to the General Body at the earliest opportuni with the proposal for the appointment of our Firm as Managing Agents and for the necessary changes in the Articles as originally contemplated. This will avoid all complications and put the working of the [illegible] and satisfactory footing once for[illegible]

I am anxious to do the best I can [illegible] But, I fear, that unless we have a free hand in the management of the affairs of the Company [illegible] shall not be placed in a position to discharge our [illegible] satisfactorily.

oooo

"C O P Y."

Miss

Letter dated 18th February 1935 from Messrs. N. Sirur & Co., 70 Forbes Street, Fort, Bombay to the Director of Industries and Commerce in Mysore, Bangalore.

** *

Many thanks for your letter of the 14th instant. The Draft Agreement approved both by you and by me, sufficiently defines our powers and duties, and I do not think that any Schedule of powers by way of an appendix to the Agreement is necessary, as suggested by you in your letter. All that I wish is, that an Agreement should be entered into between the Directors and our Firm, according to the above Draft.

I have still very serious ~~doubts~~ doubts, as to whether the Directors, under the Articles as they stand, can appoint us as General Managers with the powers and duties of Managing Agents, especially, when the Office of the Managing Agents has once been abolished by the Shareholders. In the circumstances, I think, it would be best to revise the Articles, at the earliest opportunity, by Special Resolutions as drafted by Messrs. Little & Co., on the lines indicated in the Draft sent by you. This is quite a simple matter, as there is already the necessary material, and the Extra-ordinary General Meetings for getting the Articles revised, should not take more than about a month's time, nor is it in any way an expensive procedure. We shall, however, talk over the matter when I next come to Bangalore, which I hope to do early next week.

With kind regards.

" C O P Y."

ARTICLES OF AGREEMENT made and entered into this day of between Sri Krishnarajendra Mills Ltd., Mysore, a company registered under the Mysore Companies Regulation 8 of 1917 and having its registered office in Mysore (Hereinafter called "the said Company") of the one part and Messrs. N. Sirur & Co. (hereinafter called "the said Firm") of the other part.

Whereas the said firm has agreed to take over the management of the said company subject to the terms and conditions hereinafter appearing AND WHEREAS by a Deed of Mortgage dated the 9th day of December 1931 the said Company mortgaged its fixed assets as therein mentioned to the Government of His Highness the Maharaja of Mysore (hereinafter called "the said Government") to secure the sum of Rs 16 Lakhs with interest thereon at the rate of 5½ % per annum AND WHEREAS by an Agreement also dated the 9th day of December 1931 the said Government agreed to lend to the said Company the aggregate sum of Rs 8 Lakhs carrying interest at the rate of 5½ % per annum by way of a Cash Credit upon the security of the goods therein mentioned. NOW THESE PRESENTS WITNESS and it is hereby mutually agreed by and between the parties hereto in manner following that is to say :-

1. The person or persons for the time being constituting the said firm of Messrs. N. Sirur & Co., shall be agents of the said Company for a period of ten years from . . . . and thereafter by mutual consent between the said firm and the said Company on such terms and conditions as may be determined at the time, but with liberty to the said firm to resign such appointment and to retire from the said Agency at any time by six calendar months' notice in

in writing to the said company provided nevertheless that if at any time during the said period of ten years the said Government shall intimate to the said company that it is the desire of the said Government that the said Agency be determined and provided that the said sums of Rs 16 Lakhs and Rs 8 Lakhs or any part thereof shall then still be due by the said Company to the said Government then and in such case the said Company shall be at liberty to determine this agreement by six calendar months' notice in writing to the said firm.

2. The said firm shall take over the management of the said Company in the condition that it may be on the date on which the management is transferred to them. The said firm shall have liberty to make such changes in the personnel of the staff of the said company which may be considered necessary but subject to Art. 126 (23) and with the previous sanction of the Board of Directors of the company in all cases where contracts for service are intended which shall not be terminable by one month's notice or less.

3. The remuneration of the said firm as such Managing Agents shall be as follows ; -

a) From and after the date of taking over the management of the said firm a commission at the rate of ten per cent per annum on the annual net profits of the said company after making all proper allowances and deductions from revenues for interest on loans and deposits and for working expenses chargeable against profits but without making any deductions for or in respect of incometax or super-tax or in respect of any amount carried to depreciation, insurance, reserve or sinking fund or any other special fund or in respect of any expenditure on capital account and such commission shall become due to the said firm yearly after the annual accounts of the said company have been passed by the shareholders.

b) A sum of Rupees Seven Hundred and Fifty per month as an allowance subject to the condition that the allowance shall not be drawn by the said firm if the said company shall be unable to pay the whole or any portion of the interest then due and payable to the said Government on the loans advanced by the Government to the said company as - aforesaid and accordingly at the beginning of every half year the Board of Directors of the said company shall scrutinise the accounts of the said company for the preceding half year and decide whether the condition of the accounts permits that the said firm should draw the said monthly - allowance for such preceding half year or not. Any allow -ance or part of the same not so drawn as aforesaid shall be credited to the account of the firm and shall be drawn by the firm as and when the interest due on the loans advanced by the said Government shall have been paid provided that such amount at credit shall not be payable merely on the ground of termination of appointment.

Provided that the before-mentioned commission and the monthly allowance shall be exclusive of all salaries or - wages of assistants, Clerks or other employees engaged by the said firm for the company's business and of all remunera -tion or wages which shall be payable to the Solicitors, - Accountants, Bankers, Engineers, Experts, Managers, Secretaries, Commission Agents, Dealers, Brokers or other Officers servants or workmen who may be employed by the said firm for or on behalf of the said company or any other expenses properly incurred for carrying on and conducting the business of the said Company all of which expenses shall be paid by the said Company.

Provided further that the monthly allowance payable to the said firm as aforesaid shall be included in the working expenses of the company in computing the results of the - - year's working.

4. The said Firm hereby agree with the said Company that subject to their right to terminate this agreement in manner aforesaid they will be and act as Agents of the said Company for the remuneration hereinbefore mentioned and upon and subject to the terms and conditions herein contained and during such time as they hold Office of Agents of the said Company they will use their best endeavours to promote the interests and business of the said Company d will not divulge or make known any of the secrets or affairs thereof.

5. Subject to the control of the Board of Directors and to the provisions of Clause 2 hereof the said Firm shall - have the general conduct and management of the business and affairs of the said Company and in particular shall have - power on behalf of the said Company to enter into arrangements with any Government or authorities Supreme Municipal Local or otherwise and to obtain from any such Government or Authority all rights concessions licenses leases and - privileges And to institute conduct defend compromise refer to arbitration and abandon legal and other proceedings and claims by and against the said Company and the Directors and the Officers of the said Company and otherwise concerning the affairs of the said Company And to purchase provide - maintain and keep up such immoveable and moveable property machinery implements or stock whether stationery or otherwise and all other things necessary for the said Company And from time to time to sell or dispose of the same or any part there -of And to execute become parties to and where necessary to cause to be registered all deeds agreements contracts receipts and other documents And to insure the property of the said company for such purposes and to such extent and in such - manner as the said firm may think proper And to give effectual receipts and discharges on behalf of and against the - said Company for any moneys funds goods or property lent to

to or payable or belonging to said Company And to draw accept endorse negotiate and sell Bills of Exchange and Hundies with or without security and to draw cheques - against the monies of the said Company And to purchase and sell and for that purpose to sign endorse and transfer - Government Promissory Notes or other Securities issued by the Government of India and standing in the name of the Company or any bonds of any public authority and to collect and give receipts for the dividends or interest from time to time due or to become due on any such securities And to appoint and employ in or for the purposes of the transaction and management of the affairs and business of the said Company or otherwise for the purposes thereof and from ti to time to remove or suspend such Solicitors Accountants, Bankers, Engineers Experts Managers Secretaries Commission Agents Dealers Brokers and any other persons as they shall think proper with such powers and duties and upon such - - terms as to duration of office remuneration or otherwise as the said Firm shall think fit and to delegate all or any of the powers authorities and discretions for the time being - vested in the said Firm And also from time to time to provide by the appointment of an Attorney or Attorneys manager or managers for the management and transaction of the - - affairs of the said Company in any specified locality and Generally to make all such arrangements and do all such acts and things on behalf of the said Company as may be necessary or expedient.

6. The said Firm shall keep proper and complete books of account of the dealings and working of the said Company and shall prepare and keep or cause to be prepared and kept there -in complete accounts of all purchases and sales and of all receipts and disbursements made and received and paid by the said firm for and on behalf of the said Company and the said Firm shall also prepare and keep or cause to be prepared and

and kept such further and other accounts of the said Company as the Directors shall from time to time direct.

7. The said Firm shall have charge and custody of all the property books of account papers documents and effects belonging to the said Company wheresoever situate and being.

8. The said firm shall be at liberty from time to time to retain reimburse and pay themselves out of the monies of the said Company and subject to the Provision of Clause 3 (b) hereof the before-mentioned allowance and all expenses incurred in connection with the establishment maintenance - management and upkeep of the said Company's office and all salaries wages or remuneration of Solicitors Accountants Bankers Engineers Experts Managers Secretaries Commission Agents Dealers Brokers or other Officers servants or workmen and all monies expensed or disbursed by them for and on - behalf of the said Company on any account whatsoever from the date of taking over the management of the said Company and all sums due to the said Firm for Commission or otherwise.

9. One of the members for the time being of the said Firm shall be ex-officio a Director of the said Company and if unable to attend at any Board Meeting such ex-officio - Director shall be at liberty to appoint a substitute - Director to attend in his absence.

10. Subject to the approval of the Board of Directors of the said Company it shall be lawful for any member of the said Firm to assign the whole or any portion of his interest in the said Firm or to withdraw from the said Firm altogether without thereby in any way affecting the appointment of the said Firm as such Agents as aforesaid.

11. It is hereby expressly agreed and declared that if at any time during the continuance of the Agency the said Firm

shall be constituted differently from what it is at the date of these presents and the appointment of the said Firm as such Agents as aforesaid hereby made shall be held or construed not to be valid in law by reason of one or some or all of the partners thereof not having been partners at the date of these presents and not having executed the same or otherwise then and in such case these presents shall nevertheless be construed and taken as amounting to an - agreement between the said Company of the one part and the present members of the said Firm of the other part that the said Company its successors and assigns shall appoint the Firm as so differently constituted as aforesaid to be the Agents of the said Company its successors and assigns for the term and with the like powers and authorities remuneration and emoluments and subject to the like terms and conditions as are herein contained.

12. It shall be lawful for the said Firm to assign this Agreement and the rights of the said Firm hereunder to any private limited Company into which the said Firm may hereafter be converted formed under either the English or Indian Companies Acts and having authority by its constitution to become bound by the obligations undertaken by the said Firm hereunder; and upon such assignment being made and notified to the Company the Company shall be bound to - recognise the private limited Company aforesaid as the Agents of the Company in like manner as if the name of such - - private limited Company had appeared in these presents in lieu of the names of the partners in the said Firm and as if such private limited Company had entered into this - Agreement with the Company and the Company shall forthwith upon demand by the said Firm enter into an Agreement with the private limited Company aforesaid appointing that Company the Agents of the Company for the then residue of the term outstanding under this Agreement, and with the like powers and authorities, remuneration and emoluments and

and subject to the like terms and conditions as are herein contained.

13. In the event of the said company being at any time during the continuance of the Agency wound up for the purpose and with the object of transferring its business to another company the said Company shall make it one of the terms and stipulations of the agreement for transfer of its property and business to such other company as aforesaid that such other Company shall appoint the said Firm to be the Agents of such new Company for the period and with the like powers and authorities to the said firm and on the same terms and conditions as to remuneration emoluments and otherwise as are herein contained and it is hereby expressly agreed and declared that save and except with such condition and stipulation as one of the terms of the sale and transfer thereof the said Company will not sell and transfer its business to any other company.

14. In the event of any dispute or difference at any time arising between the said Firm and the said Company in respect of this Agreement or the several matters specified - - herein or with reference to anything arising out of or incidental thereto such dispute or difference shall be submitted to and be decided by the arbitration of two Arbitrators one to be named by each party to the dispute or difference which Arbitrators shall appoint an Umpire before taking upon themselves the burden of the reference and this Agreement shall be deemed to be a submission to the arbitration of two - - Arbitrators within the meaning of the Mysore Arbitration - Regulation No. 1 of 1917 and all the Provisions of that - - Regulation (except as hereby expressly varied) or of any Regulation of the Legislature passed in substitution therefor or in modification thereof and for the time being in force shall be deemed to apply to any reference hereunder.

15. This agreement shall be subject to the terms and conditions in the two agreement dated the 9th December 1931 between the Government of Mysore and the Company, except in so far as the Agents shall not be personally liable for the payment of either the interest or the principal of the loans to the Government (or for any other payment or expenditure thereunder) other than from the assets of the revenue of the Company.

24.2.35

Serial No.

The draft of the agreement to be executed by Jones Bros. & The S.K. Mills Ltd. was considered at a meeting of the Board of Directors on 3rd March 1935 and certain modifications were suggested by the Board.

These were shown to the Jones Bros. and he has given a note on them objecting to some of them. The biggest objection raised is on the resolution of the Board directing that the services of a certain staff be deemed to be under contract subject to termination ordinarily at two months notice. The Jones Bros. argues is against the intention of clause 2 of the agreement and places them in an awkward predicament with the staff when they have to obtain previous sanction of the Board before making any changes in the present personnel. Mr. Jones says that either this resolution should be rescinded or clause 2 of the agreement should be suitably amended.

A meeting of the Board will be held tomorrow to reconsider the proposals in the light of Mr. Jones's objections.

I may be permitted to point out to the Board that Govt. have approved of the terms of the agreement and are not in favour of any material changes in it.

~~The Jones Bros. note was handed~~

The discussion / first was that the managing agents were to have a hand to make changes in the personnel staff that they considered necessary after watching the work of the present Employees — the work of the Board would defeat the intention of the last clause /

Yes, Except Mrs

NOTE—Contn. Sheet.

WD 0434—GPB—15,000—12-10-33

File No. 3499 53804 of 193

General and Revenue Secretariat

Serial No.

~~Post to me yesterday and I handed it to Haworth~~ MW

Gabbertazzid

First Member 9.3.85

Please stitch all these papers together MW 18/4

Draft prepared by Mr D.V.

Modifications suggested by the Board of Directors noted on the margin in [ ]

ARTICLES OF AGREEMENT made and entered into this day of between Sri Krishnarajendra Mills, Ltd., Mysore, a company registered under the Mysore Companmes Regulation 8 of 1917 and having its registered office in Mysore (hereinafter called "the said Company") of the one part and Messrs. N. Sirur & Co. (hereinafter called "the said Firm") of the other part.

Whereas the said firm has agreed to take over the management of the said company subject to the terms and conditions hereinafter appearing AND WHEREAS by a Deed of Mortgage dated the 9th day of December 1931 the said Company mortgaged its fixed assets as therein mentioned to the Government of His Highness the Maharaja of Mysore (hereinafter called "the said Government") to secure the sum of Rs.16 lakhs with interest thereon at the rate of 5½ % per annum AND WHEREAS by an Agreement also dated the 9th day of December 1931 the said Government agreed to lend to the said Company the aggregate sum of Rs.8 lakhs carrying interest at the rate of 5½ % per annum by way of a Cash Credit upon the security of the goods therein mentioned. NOW THES PRESENTS WITNESS and it is hereby mutually agred by and between the parties hereto in manor following that is to say :-

1. The person or persons for the time being constituting the said firm of Messrs.N. Sirur & Co., shall be agents of the said Company for a period of ten years from/and thereafter by mutual consent between the said firm and the said Company on such terms and conditions as may be determined at the time, but with liberty to the said firm to resign such appointment and to retire from the said Agency at any time by six calendar months' notice in writing to the said company provided nevertheless that if at any time during the said period of ten years the said Government shall intimate to the said company that it is the desire of the said Government that the said Agency be determined and provided that the said sums of Rs.16 lakhs and Rs.8 lakhs or any part thereof shall then still be due by the said Company to the said Government then and in such case the said company shall be at liberty to determine this agreement by six calendar months' notice in writing to the said firm.

But subject to the approval of the said Government quite unnecessary KK

2. The said firm shall take over the management of the said Company in the condition that it may be on the date on which the management is transferred to them. The said firm shall have liberty to make such changes in the personnel

of

of the staff of the said company which may be considered necessary but subject to Art.126 (23) and with the previous sanction of the Board of Directors of the company in all cases where contracts for service are intended which shall not be terminable by one month's notice or less.

3. The remuneration of the said firm as such Managing Agents shall be as follows:-

a) From and after the date of taking over the management of the said firm a commission at the rate of ten per cent per annum on the annual net profits of the said company after making all proper allowances and deductions from revenues for interest on loans and deposits and for working expenses chargeable against profits but without making any deductions for or in respect of income-tax or super-tax or in respect of any amount carried to depreciation, insurance, reserve or sinking fund or any other special fund or in respect of any expenditure on capital account and such commission shall become due to the said firm yearly after the annual accounts of the said company have been passed by the shareholders.

b) A sum of Rupees Seven Hundred and Fifty per month as an allowance subject to the condition that the allowance shall not be drawn by

the

by the said firm if the said company shall be unable to pay the whole or any portion of the interest then due and payable to the said Government on the loans advanced by the Government to the said company as aforesaid and accordingly at the beginning of every half year the Board of Directors of the said company shall scrutinise the accounts of the said company for the preceding half year and decide whether the condition of the accounts permits that the said firm should draw the said monthly allowance for such preceding half year or not. Any allowance or part of the same not so drawn as aforesaid shall be credited to the account of the firm and shall be drawn by the firm as and when the interest due on the loans advanced by the said Government shall have been paid provided that such amount at credit shall not be payable merely on the ground of termination of appointment.

Provided that the before-mentioned commission and the monthly allowance shall be exclusive of all salaries or wages of assistants, clerks or other employees engaged by the said firm for the company's business and of all remuneration or wages which shall be payable to the Solicitors, Accountants, Bankers, Engineers, Experts, Managers, Secretaries, Commission Agents, Dealers, Brokers or other Officers servants

servants or workmen who may be employed by the said firm for or on behalf of the said company or any other expenses properly incurred for carrying on and conducting the business of the said company all of which expenses shall be paid by the said Company.

Provided further that the monthly allowance payable to the said firm as aforesaid shall be included in the working expenses of the company in computing the results of the year's working.

4. The said Firm hereby agree with the said Company that subject to their right to terminat this agreement in manner aforesaid they will be and act as Agents of the said Company for the remuneration hereinbefore mentioned and upon and subject to the terms and conditions herein contained and during such time as they hold Office of Agents of the said Company they will use their best endeavours to promote the interests and business of the said Company and will not divulge or make known any of the secrets or affairs thereof.

5. Subject to the control [and supervision] of the Board of Directors and to the provisions of Clause 2 hereof the sid Firm shall have the general conduct and management of the business and affairs of the said Company to enter into arrangements with any

[and to their sanction in such matters as may be specified from time to time by them]

Government

Government or authorities Supreme Municipal Local or otherwise and to obtain from any such Government or Authority all rights concessions licenses leases and privileges And to institute conduct defend compromise refer to arbitration and abandon legal and other proceedings and claims by and against the said Company and the Directors and the Officers of the said Company and otherwise concerning the affairs of the said Company And to purchase provide maintain and keep up such immoveable and moveable property machinery ~~&~~ implements or stock whether stationery or otherwise and all other things necessary for the said Company And from time to time to sell or dispose of the same or any part ~~&~~ thereof And to execute become parties to and where necessary to cause to be registered all deeds agreements contracts receipts and other documents And to insure the property of the said company for such purposes and to such extent and in such manner as the said firm may think proper And to give effectual receipts and discharges on behalf of and against the said Company for any moneys funds goods or property lent to or payable or belonging to said Compa And to draw accept endorse negotiate and sell Bls of Exchange and Hundies with or without serity and to draw cheques against the ~~-~~nies of the said Company And to purchase and sell

and

and for that purpose to sign endorse and transfer Government Promissory Notes or other Securities issued by the Government of India and standing in the name of the Company or any bonds of any public authority and to collect and give receipts for the dividends or interest from time to time due or to become due on any such securities And to appoint and employ in or for the purpose of the transaction and management of the affairs and business of the said Company or otherwise for the purposes thereof and from time to time to remove or suspend such Solicitors Accountants, Bankers, Engineers Experts Managers Secretaries Commission Agents Dealers Brokers and any other persons as they shall think proper with such powers and duties and upon such terms as to duration of office remuneration or otherwise as the said Firm shall think fit and to delegate all or any of the powers authorities and discretions for the time being vested in the said Firm And also from time to time to provide by the appointmet of an Attorney or Attorneys manager or managers for the management and transaction of the affairs of the said Company in any specified locality and generally to make all such arrangements and do all such acts and things on behalf of the said Company as may be necessary or expedient.

6. The said Firm shall keep proper and complete books of account of the dealings and working of the said Company and shall prepare and keep or cause to be prepared and kept therein complete accounts of all purchases and sales and of all receipts and disbursements made and received and paid by the said firm for and on behalf of the said Company and the said Firm shall also prepare and keep or cause to be prepared and kept such further and other accounts of the said Company as the Directors shall from time to time direct.

7. The said Firm shall have charge and custody of all the property books of account papers documents and effects belonging to the said Company wheresoever situate and being.

8. The said firm shall be at liberty from time to time to retain reimburse and pay themselves out of the monies of the said Company and subject to the Provision of Clause 3 (b) hereof the beforementioned allowance and all expenses incurred in connection with the establishment maintenance management and upkeep of the said Company's office and all salaries wages or remuneration of Solicitors Accountants Bankers Engineers Experts Managers Secretaries Commission Agents Dealers Brokers or other Officers servants or workmen and all monies

expensed

expensed or disbursed by them for and on behalf of the said Company on any account whatsoever from the date of taking over the management of the said Company and all sums due to the said Firm for Commission or otherwise.

9. One of the members for the time being of the said Firm shall be ex-officio a Director of the said Company and if unable to attend at any Board Meeting such ex-officio Director shall be at liberty to appoint a substitute Director to attend in his absence.

10. Subject to the approval of the Board of Directors of the said Company it shall be lawful for any member of the said Firm to assign the whole or any portion of his interest in the said Firm or to withdraw from the said Firm altogether without thereby in any way affecting the appointment of the said Firm as such Agents as aforesaid.

11. It is hereby expressly agreed and declared that if at any time during the continuance of the Agency the said Firm shall be constituted differently from what it is at the date of these presents and the appointment of the said Firm as such Agents as aforesaid hereby made shall be held or construed not to be valid in law by reason of

one

one or some or all of the partners thereof not having been partners at the date of these presents and not having ~~been parties hereto~~ executed the same or otherwise then and in such case these presents shall nevertheless be construed and taken as amounting to an agreement between the said Company of the one part and the present members of the said Firm of the other part that the said Company its successors and assigns shall appoint the Firm as so differently constituted as aforesaid to be the Agents of the said Company its successors and assigns for the term and with the like powers and authorities remuneration and emoluments and subject to the like terms and conditions as are herein contained.

12. It shall be lawful for the said [illegible] to assign this Agreement and the rights of the said Firm hereunder to any private limited Company into which the said Firm may hereafter be converted formed under either the English or Indian Companies Acts and having authority by its constitution to become bound by the obligations undertaken by the saif Firm hereunder; and upon such assignment being made and notified to the Company the Company shall be bound to recognise the private limited Company aforesaid as the Agents of the Company in like manner

as if the name of such private limited Company had appeared in these presents in lieu of the names of the partners in the said Firm and as if such private limited Company had entered into this Agreement with the Company and the Company shall forthwith upon demand by the said Firm enter into an Agreement with the private limited Company aforesaid appointing that Company the Agents of the Company for the then residue of the term outstanding under this Agreement, and with the like powers and authorities, remuneration and emoluments and subject to the like terms and conditions as are herein contained.

13. In the event of the said company being at any time during the continuance of the Agency wound up for the purpose and with the object of transferring its business to another company the firm said Company shall make it one of the terms and stipulations of the agreement for transfer of its property and business to such other company as aforesaid that such other Company shall appoint the said Firm to be the Agents of such new Company for the period and with the like powers and authorities to the said firm and on the same terms and conditions as to remuneration emoluments and otherwise as are herein contained and it is hereby expressly agreed and declared that save and except with such condition

and

and stipulation as one of the terms ofthe sale and transfer thereof the said Company will not sell and transfer its business to any other company.

14. In the event of any dispute or difference at any time arising between the said Firm and the said Company in respect of this Agreement on the several matters specified herein or with reference to anything arising out of or incidental thereto such dispute or difference shall be submitted to and be decided by the arbitration of two Arbitrators one to be named by each party to the dispute or difference which Arbitrators shall appoint an Umpire before taking upon themselves the burden of the reference and this Agreement shall be deemed to be a submission to the arbitration of two Arbitrators within the meaning of the Mysore Arbitration Regulation No.1 of 1917 and all the Provisions of that Regulation (except as hereby expressly varied) or of any Regulation of the Legislature passed in substitution therefor or in modification thereof and for the time being in force shall be deemed to apply to any reference hereunder.

15. This agreement shall be subject to the terms and conditions in the two agreements dated 9th December 1931 between the Government of Mysore

and

and the Company, except in so far as the Agents shall not be personally liable for the payment of either the interest or the principal of the loans to the Government (or for any other payment or expenditure thereunder) other than from the assets ~~of~~ the revenue of the Company.

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MR
3rd March 35

S3.3.35 Au

NOTE ON THE AGENCY AGREEMENT BY MR. D.N.SIRUR.

Clause 1. The amendment to Clause(1) of the draft agreement makes the resignation of the Agents of their office by six months' notice subject to the approval of the Government.

I fail to see why the Agents' decision in the matter should be made subject to the approval of the Government. I therefore suggest that the amendment proposed on page 2, viz. "but subject to the approval of the said Government" be deleted.

Clause 2. Clause 2 of the draft agreement provides that all changes in appointments not terminable by one month's notice or less should be made with the previous sanction of the Board. This provision is made so that the Agents may not make appointments involving a continuous liability on the Company without the previous sanction of the Board. The usual condition of service in the matter of appointments not under contract is that such appointments are terminable by one month(s notice according to common law. It is therefore not clear why the Directors at their meeting held on 3rd March 1935 made these appointments terminable by two months' notice. This resolution of the Directors apart from

from creating an undesirable precedent which is not to the interests of the Company is inconsistent with the intention of clause (b) of para 2 of the Government Order on the subject and clause 2 of the draft agreement.

Clause (b) of the Government Order reads as follows:-

"Your Firm will take over the Management as it is now and they might make any changes in the personnel which might be considered necessary after watching the work of the officials now working there".

The aforesaid resolution of the Directors in effect therefore over-rides the intention of the Government Order quoted above and clause 2 of the agreement, as it implies that the Agents have to obtain the previous sanction of the Board before making any changes in the present personnel of the staff since their services are made terminable by two months' notice. It is therefore necessary either to rescind the resolution of the Directors or to alter the clause 2 of the agreement by substituting the words "shall not be terminable by three months' notice or less" in the place of " shall not be terminable by one month's notice or less", so that the Agents may have sufficient control over the existing staff to secure efficient working.

In

In clause 3(a) of the agreement a few verbal alterations have been made so as to make the meaning clear. I accept the amendment that bad debts should be written off for ascertaining the profits.

In clause 3(b) I accept the amendment that arrears of allowance shall be-come payable only when interest due on Government loans is paid out of the profits earned by the Company.

Clause 5. The amendment "and supervision and to their sanction in such matters as may be specified from time to time by them" seems to be unnecessary in as much as under the clause as it stands, the Board can always direct the Agents as to what they should do.

With reference to the amendments to clauses 11 and 12 of the draft agreement that any changes in the constitution of the firm or that the assignment of the rights of the firm to any private limited company into which the firm may be converted shall be subject to the approval of the Board, I beg to point out that these are unusual conditions as they limit the agents' freedom of action in matters pertaining purely to themselves. In this connection, I beg to quote the observations of my solicitors, Messrs. Little & Co. in their letter to me dated 18th Dec.1934 a copy of which I had forwarded to Mr.Ramanathan.

"Certain

"Certain provisions were inserted in the preliminary draft directed, we think, to enabling the agreement to be terminated in the event of any changes in the constitution of your firm. They were no doubt inserted as safeguards for His Highness and his Government though we think that it must be conceded that they are very unusual, in fact so far as the writer is concerned, he has not seen such provisions before. In inserting those provisions, we think that the power of the Company to determine the agreement under the directions of His Highness' Government has been entirely overlooked or not given sufficient weight to. If the constituion of the firm were so altered, let us say, by the introduction of partners known or proved to be unduly speculative, then Government could intimate to the Board of Directors its wish that the Agency Agreement be terminated and with Government's assumed majority on the Board, it would follow that the agreement would in fact be determined and the desired result attained although by a different method."

ARTICLES OF AGREEMENT made and entered into this day of between Sri Krishnarajendra Mills Ltd., Mysore, a company registered under the Mysore Companies Regulation 8 of 1917 and having its registered office in Mysore (hereinafter called "the said Company") of the one part and Messrs. N. Sirur & Co. (hereinafter called "the said Firm") of the other part.

Whereas the said firm has agreed to take over the management of the said company subject to the terms and conditions hereinafter appearing AND WHEREAS by a Deed of Mortgage dated the 9th day of December 1931 the said Company mortgaged its fixed assets as therein mentioned to the Government of His Highness the Maharaja of Mysore (hereinafter called "the said Government") to secure the sum of Rs 16 Lakhs with interest thereon at the rate of 5½ % per annum AND WHEREAS by an Agreement also dated the 9th day of December 1931 the said Government agreed to lend to the said Company the aggregate sum of Rs 8 Lakhs carrying interest at the rate of 5½ % per annum by way of a Cash Credit upon the security of the goods therein mentioned. NOW THESE PRESENTS WITNESS and it is hereby mutually agreed by and between the parties hereto in manner following that is to say :-

1. The person or persons for the time being constituting the said firm of Messrs. N. Sirur & Co., shall be agents of the said Company for a period of ten years from . . . . and thereafter by mutual consent between the said firm and the said Company on such terms and conditions as may be determined at the time, but with liberty to the said firm to resign such appointment and to retire from the said Agency at any time by six calendar months' notice in

SECTION 3. An Ordinance made and entered into this

day of

between the

Municipality of Ypsilanti, Michigan, a corporation duly organized and existing under the laws of the State of Michigan (hereinafter called "the said Municipality") of the one part and Ypsilanti Light Co. (hereinafter called "the said Company") of the other part.

Whereas the said Municipality is the owner of the Electric Light Plant and Distributing System in the City of Ypsilanti, having the exclusive right to operate the same for the purpose of furnishing electric current for lighting the streets and other public places in the said City and for private consumers therein, and

Whereas the said Company is the owner of the Electric Light Plant and Distributing System in the City of Ypsilanti, having the exclusive right to operate the same for the purpose of furnishing electric current for lighting the streets and other public places in the said City and for private consumers therein, and

Whereas the said Company has agreed to sell to the said Municipality the said Electric Light Plant and Distributing System, and the said Municipality has agreed to purchase the same upon the terms and conditions hereinafter set forth, and

Whereas the said Municipality has agreed to lease to the said Company the said Electric Light Plant and Distributing System, and the said Company has agreed to lease the same from the said Municipality upon the terms and conditions hereinafter set forth, and

Whereas the said Municipality has agreed to sell to the said Company the electric current generated by the said Electric Light Plant and Distributing System, and the said Company has agreed to purchase the same upon the terms and conditions hereinafter set forth, and

Whereas the said Municipality has agreed to sell to the said Company the gas manufactured by the said Electric Light Plant and Distributing System, and the said Company has agreed to purchase the same upon the terms and conditions hereinafter set forth, and

Whereas the said Municipality has agreed to sell to the said Company the water supplied by the said Electric Light Plant and Distributing System, and the said Company has agreed to purchase the same upon the terms and conditions hereinafter set forth, and

Whereas the said Municipality has agreed to sell to the said Company the steam supplied by the said Electric Light Plant and Distributing System, and the said Company has agreed to purchase the same upon the terms and conditions hereinafter set forth, and

Whereas the said Municipality has agreed to sell to the said Company the hot water supplied by the said Electric Light Plant and Distributing System, and the said Company has agreed to purchase the same upon the terms and conditions hereinafter set forth, and

Whereas the said Municipality has agreed to sell to the said Company the compressed air supplied by the said Electric Light Plant and Distributing System, and the said Company has agreed to purchase the same upon the terms and conditions hereinafter set forth, and

Whereas the said Municipality has agreed to sell to the said Company the refrigeration supplied by the said Electric Light Plant and Distributing System, and the said Company has agreed to purchase the same upon the terms and conditions hereinafter set forth, and

Whereas the said Municipality has agreed to sell to the said Company the ice

in writing to the said company provided nevertheless that if at any time during the said period of ten years the - said Government shall intimate to the said company that it is the desire of the said Government that the said Agency be determined and provided that the said sums of Rs 16 Lakhs and Rs 8 Lakhs or any part thereof shall then still be due by the said Company to the said Government then and in such case the said Company shall be at liberty to determine this agreement by six calendar months' notice in writing to the said firm.

2. The said firm shall take over the management of the said Company in the condition that it may be on the date on which the management is transferred to them. The said - firm shall have liberty to make such changes in the personnel of the staff of the said company which may be considered necessary but subject to Art. 126 (23) and with the previous sanction of the Board of Directors of the company in all cases where contracts for service are intended which - shall not be terminable by one month's notice or less.

3. The remuneration of the said firm as such Managing Agents shall be as follows ; -

a) From and after the date of taking over the management of the said firm a commission at the rate of ten per cent per annum on the annual net profits of the said company - after making all proper allowances and deductions from - - revenues for interest on loans and deposits and for working expenses chargeable against profits but without making any deductions for or in respect of incometax or super-tax or in respect of any amount carried to depreciation, insurance, reserve or sinking fund or any other special fund or in respect of any expenditure on capital account and such commission shall become due to the said firm yearly after the annual accounts of the said company have been passed by the shareholders.

b) A sum of Rupees Seven Hundred and Fifty per month as an allowance subject to the condition that the allowance shall not be drawn by the said firm if the said company shall be unable to pay the whole or any portion of the interest then due and payable to the said Government on the loans advanced by the Government to the said company as - aforesaid and accordingly at the beginning of every half year the Board of Directors of the said company shall scrutinise the accounts of the said company for the preceding half year and decide whether the condition of the accounts permits that the said firm should draw the said monthly - allowance for such preceding half year or not. Any allow -ance or part of the same not so drawn as aforesaid shall be credited to the account of the firm and shall be drawn by the firm as and when the interest due on the loans advanced by the said Government shall have been paid provided that such amount at credit shall not be payable merely on the ground of termination of appointment.

Provided that the before-mentioned commission and the monthly allowance shall be exclusive of all salaries or - wages of assistants, Clerks or other employees engaged by the said firm for the company's business and of all remunera -tion or wages which shall be payable to the Solicitors, - Accountants, Bankers, Engineers, Experts, Managers, Secretaries, Commission Agents, Dealers, Brokers or other Officers servants or workmen who may be employed by the said firm for or on behalf of the said company or any other expenses properly incurred for carrying on and conducting the business of the said Company all of which expenses shall be paid by the said Company.

Provided further that the monthly allowance payable to the said firm as aforesaid shall be included in the working expenses of the company in computing the results of the - - year's working.

4. The said Firm hereby agree with the said Company that subject to their right to terminate this agreement in manner aforesaid they will be and act as Agents of the said Company for the remuneration hereinbefore mentioned and upon and subject to the terms and conditions herein contained and during such time as they hold Office of Agents of the said Company they will use their best endeavours to promote the interests and business of the said Company and will not divulge or make known any of the secrets or affairs thereof.

5. Subject to the control of the Board of Directors and to the provisions of Clause 2 hereof the said Firm shall - have the general conduct and management of the business and affairs of the said Company and in particular shall have - power on behalf of the said Company to enter into arrange- ments with any Government or authorities Supreme Municipal Local or otherwise and to obtain from any such Government or Authority all rights concessions licenses leases and - privileges And to institute conduct defend compromise refer to arbitration and abandon legal and other proceedings and claims by and against the said Company and the Directors and the Officers of the said Company and otherwise concerning the affairs of the said Company And to purchase provide - maintain and keep up such immoveable and moveable property machinery implements or stock whether stationery or otherwise and all other things necessary for the said Company And from time to time to sell or dispose of the same or any part there -of And to execute become parties to and where necessary to cause to be registered all deeds agreements contracts receipts and other documents And to insure the property of the said company for such purposes and to such extent and in such - manner as the said firm may think proper And to give effect- ual receipts and discharges on behalf of and against the - said Company for any moneys funds goods or property lent to

to or payable or belonging to said Company And to draw accept endorse negotiate and sell Bills of Exchange and Hundies with or without security and to draw cheques - against the monies of the said Company And to purchase and sell and for that purpose to sign endorse and transfer - Government Promissory Notes or other Securities issued by the Government of India and standing in the name of the Company or any bonds of any public authority and to collect and give receipts for the dividends or interest from time to time due or to become due on any such securities And to appoint and employ in or for the purposes of the transaction and management of the affairs and business of the said Company or otherwise for the purposes thereof and from time to time to remove or suspend such Solicitors Accountants, Bankers, Engineers Experts Managers Secretaries Commission Agents Dealers Brokers and any other persons as they shall think proper with such powers and duties and upon such - - terms as to duration of office remuneration or otherwise as the said Firm shall think fit and to delegate all or any of the powers authorities and discretions for the time being - vested in the said Firm And also from time to time to provide by the appointment of an Attorney or Attorneys manager or managers for the management and transaction of the - - affairs of the said Company in any specified locality and Generally to make all such arrangements and do all such acts and things on behalf of the said Company as may be necessary or expedient.

6. The said Firm shall keep proper and complete books of account of the dealings and working of the said Company and shall prepare and keep or cause to be prepared and kept there -in complete accounts of all purchases and sales and of all receipts and disbursements made and received and paid by the said firm for and on behalf of the said Company and the said Firm shall also prepare and keep or cause to be prepared and

or expedient.

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vested in the said Firm And also from time to time to pro-

the said Firm shall think fit and to delegate all or any of

terms as to duration of office remuneration or otherwise as

think proper with such powers and duties and upon such - -

Agents Dealers Brokers and any other persons as they shall

Bankers, Auditors Lawyers Managers Secretaries Commission

to time to remove or suspend such Solicitors Accountants,

Company or otherwise for the purposes thereof and from time

tion and management of the affairs and business of the said

appoint and employ in or for the purposes of the transac-

to time due or to become due on any such security and to

and give receipts for the dividends or interest from time

Company or any bonds of any public authority and to collect

the Government of India and standing in the name or the

Government Promissory Notes or other Securities issued by

sell and for that purpose to sign endorse and transfer -

against the monies of the said Company and to purchase buy

Hundies with or without security and to draw cheques -

accept endorse negotiate and deal with bills of Exchange and

to or payable or belonging to said Co any and to open

and kept such further and other accounts of the said Company as the Directors shall from time to time direct.

7. The said Firm shall have charge and custody of all the property books of account papers documents and effects belonging to the said Company wheresoever situate and being.

8. The said firm shall be at liberty from time to time to retain reimburse and pay themselves out of the monies of the said Company and subject to the Provision of Clause 3 (b) hereof the before-mentioned allowance and all expenses incurred in connection with the establishment maintenance - management and upkeep of the said Company's office and all salaries wages or remuneration of Solicitors Accountants Bankers Engineers Experts Managers Secretaries Commission Agents Dealers Brokers or other Officers servants or workmen and all monies expensed or disbursed by them for and on - behalf of the said Company on any account whatsoever from the date of taking over the management of the said Company and all sums due to the said Firm for Commission or otherwise.

9. One of the members for the time being of the said Firm shall be ex-officio a Director of the said Company and if unable to attend at any Board Meeting such ex-officio - Director shall be at liberty to appoint a substitute - Director to attend in his absence.

10. Subject to the approval of the Board of Directors of the said Company it shall be lawful for any member of the said Firm to assign the whole or any portion of his interest in the said Firm or to withdraw from the said Firm altogether without thereby in any way affecting the appointment of the said Firm as such Agents as aforesaid.

11. It is hereby expressly agreed and declared that if at any time during the continuance of the Agency the said Firm

and kept such further and other accounts of the said Company as the Directors shall from time to time direct.

7. The said Firm shall have charge and custody of all the property books of account papers documents and effects belonging to the said Company wheresoever situate and being and shall be at liberty from time to time to reimburse and pay themselves out of the monies of the said Company and subject to the Provision of Clause 9 (b) hereof the before-mentioned allowance and all expenses incurred in connection with the establishment maintenance - management and upkeep of the said Company's office and all duties taxes or remuneration of solicitors accountants Bankers Engineers Surveyors and Geologists Commission Agents Brokers or other Officers servants or workmen and all monies expensed or disbursed by them for and on - behalf of the said Company on any account whatsoever from the date of taking over the management of the said Company and all sums due to the said Firm for Commission or otherwise.

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11. It is hereby expressly agreed and declared that if at any time during the continuance of the Agency the said Firm

shall be constituted differently from what it is at the date of these presents and the appointment of the said Firm as such Agents as aforesaid hereby made shall be held or construed not to be valid in law by reason of one or some or all of the partners thereof not having been partners at the date of these presents and not having executed the same or otherwise then and in such case these presents shall nevertheless be construed and taken as amounting to an - agreement between the said Company of the one part and the present members of the said Firm of the other part that the said Company its successors and assigns shall appoint the Firm as so differently constituted as aforesaid to be the Agents of the said Company its successors and assigns for the term and with the like powers and authorities remuneration and emoluments and subject to the like terms and conditions as are herein contained.

12. It shall be lawful for the said Firm to assign this Agreement and the rights of the said Firm hereunder to any private limited Company into which the said Firm may hereafter be converted formed under either the English or Indian Companies Acts and having authority by its constitution to become bound by the obligations undertaken by the said Firm hereunder; and upon such assignment being made and notified to the Company the Company shall be bound to - recognise the private limited Company aforesaid as the Agents of the Company in like manner as if the name of such - - private limited Company had appeared in these presents in lieu of the names of the partners in the said Firm and as if such private limited Company had entered into this - Agreement with the Company and the Company shall forthwith upon demand by the said Firm enter into an Agreement with the private limited Company aforesaid appointing that Company the Agents of the Company for the then residue of the term outstanding under this Agreement, and with the like powers and authorities, remuneration and emoluments and

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or otherwise then and in such case those presents shall
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agreement between the said Company of the one part and the
present members of the said Firm of the other part that the
said Company its successors and assigns shall appoint the
Firm as so differently constituted as aforesaid to be the
Agents of the said Company its successors and assigns for
the term and with the like powers and authorities communto-
tion and emoluments and subject to the like terms and con-
ditions as are herein contained.

15. It shall be lawful for the said Firm to assign this Agreement and the rights of the said Firm hereunder to any private limited Company into which the said Firm may hereafter be converted formed under the Indian or Indian Companies Acts and having authority by its constitution to become bound by the obligations undertaken by the said Firm hereunder; and upon such assignment being made and notified to the Company the Company shall be bound to recognise the private limited Company aforesaid as the lawful of the Company in like manner as if the same - - private limited Company had appeared in these presents in lieu of the names of the partners in the said Firm and the - - such private limited Company as aforesaid into this - - Agreement with the Company and the Company shall forthwith upon taking by the said Firm enter into an Agreement with the private limited Company aforesaid pointing that Company as Agents of the Company in like manner as the then Agents of

and subject to the like terms and conditions as are herein contained.

13. In the event of the said company being at any time during the continuance of the Agency wound up for the purpose and with the object of transferring its business to another company the said Company shall make it one of the terms and stipulations of the agreement for transfer of its property and business to such other company as aforesaid that such other Company shall appoint the said Firm to be the Agents of such new Company for the period and with the like powers and authorities to the said firm and on the same terms and conditions as to remuneration emoluments and otherwise as are herein contained and it is hereby expressly agreed and declared that save and except with such condition and stipulation as one of the terms of the sale and transfer thereof the said Company will not sell and transfer its business to any other company.

14. In the event of any dispute or difference at any time arising between the said Firm and the said Company in respect of this Agreement or the several matters specified - - herein or with reference to anything arising out of or incidental thereto such dispute or difference shall be submitted to and be decided by the arbitration of two Arbitrators one to be named by each party to the dispute or difference which Arbitrators shall appoint an Umpire before taking upon themselves the burden of the reference and this Agreement shall be deemed to be a submission to the arbitration of two - - Arbitrators within the meaning of the Mysore Arbitration - Regulation No. 1 of 1917 and all the Provisions of that - - Regulation (except as hereby expressly varied) or of any Regulation of the Legislature passed in substitution therefor or in modification thereof and for the time being in force shall be deemed to apply to any reference hereunder.

and subject to the like terms and conditions as are herein contained.

15. In the event of the said Company being at any time during the continuance of the Agency wound up for the purpose and with the object of transferring its business to another Company the said Company shall make it one of the terms and stipulations of the agreement for transfer of its property and business to such other Company as shall be the duty of such new Company for the period remaining with the like powers and authorities to the said Firm and on the same terms and conditions as to remuneration commissions and otherwise as are herein contained and it is hereby expressly agreed and declared that save and except with such condition and stipulation as one of the terms of the sale and transfer thereof the said Company will not sell and transfer its business to any other company.

16. In the event of any dispute or difference at any time arising between the said Firm and the said Company in respect of this Agreement or the several matters specified - - herein or with reference to anything arising out of or incident thereto such dispute or difference shall be submitted to and be decided by the arbitration of two Arbitrators one to be named by each party to the dispute or difference with Arbitrators shall appoint an Umpire before taking upon themselves the burden of the reference and this Agreement shall be deemed to be a submission to the arbitration of two - - Arbitrators within the meaning of the Indore Arbitration - - Regulation No. 1 of 1917 and all the provisions of that - - Regulation (except as hereby expressly varied) or of any re-enactment of the Legislature passed in substitution thereof or in modification thereof and for the time being in force which shall be taken to apply to any reference hereunder.

15. This agreement shall be subject to the terms and conditions in the two agreement dated the 9th December 1931 between the Government of Mysore and the Company, except in so far as the Agents shall not be personally liable for the payment of either the interest or the principal of the loans to the Government (or for any other payment or expenditure thereunder) other than from the assets of the revenue of the Company.

21.2.35

SRI KRISHNARAJENDRA MILLS, LTD
MYSORE.

M. S. RAMCHENDRA RAO
GENERAL MANAGER

4th March 1935.

My dear Shamanna,

I hasten to send you a copy of last minutes yesterday's meeting (which I have sent to Mr Abdul Wajid for his approval). I trust that you will have been faithfully reflecting the decisions taken yesterday and that they would be given effect when the proposed Mysore agreement etc are placed before the Board Meeting.

Yours sincerely

M S Ramchendra

Draft.

PROCEEDINGS of the 81st Meeting of the Board of Directors of the Sri Krishnarajendra Mills, Ltd., Mysore, held on Sunday the 3rd March 1935 at 2 P.M., at the premises of the Mills.

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Present:-

1. S. Abdul Wajid, Esq., B.A.,
   Director of Industries & Commerce, Bangalore.
   (CHAIRMAN).
2. S. Shamanna, Esq., B.A.,
   Financial Secretary to Government, Bangalore.
3. Rajasabhabhushana Diwan Bahadur
   C. Srikantesvara Aiyar, Esq., B.A., B.L., Mysore.
4. A. Krishna Rao, Esq., B.A., B.L., Mysore.
5. Mohamed Sait, Esq., Mysore.

Absent:-

Mr.P. Subbarama Chetty, Bangalore.

Mr. M.S. Ramchendra Rao, General Manager, was present.

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Read letter No.B.Mis.34-35 dated 28th February 1935 from Mr. A.V. Ramanathan, Director of Industries & Commerce, Bangalore and Chairman of the Board, inviting a reference to G.O. No.Fl.967-7 G.F.10-31-2 dated 7th August 1931 appointing the Director of Industries & Commerce as Government Director on the Board and intimating that he handed over charge of the office of Director of Industries & Commerce to Mr.S. Abdul Wajid, B.A., in the afternoon of 28th February 1935.

I. In proposing that the above letter be recorded and that Mr.S. Abdul Wajid, Director of Industries & Commerce

Commerce and Government Director be elected Chairman of the Board Rajasabhabhushana Diwan Bahadur Mr.C. Srikantesvara Aiyar offered a hearty welcome to Mr. Abdul Wajid and - requested him to take the chair. On the motion being seconded by Mr. A. Krishna Rao and carried nem con Mr. S. Abdul Wajid took the chair.

II. Proposed by Rajasabhabhushana Diwan Bahadur Mr. C. Srikantesvara Aiyar and seconded by Mr. A. Krishna Rao that the appreciation of the Board of Directors of Mr.A.V. Ramanathan's valuable services during the period he was on the Board both as Government Director and as Chairman be recorded and conveyed to him.

The motion was carried nem con.

III. Read letter from Mr. P. Subbarama Chetty regretti his inability to attend the meeting.

Recorded.

IV. Notice convening the Meeting was read by the General Manager.

The Proceedings of the last meeting of the Board held on 29th December 1934 copies of which were previously circulated to the Directors were taken as read and confirmed.

V. (1) Resolved that the Accounts and Balance Sheet for the year 1934 as audited and certified by Messrs. Batliboi & Purohit, the Comp'y's Auditors for 1934, be and are hereby adopted with the exception of one item of debt due from

Mr.

conference and Government Director be elected Chairman of the
Board for ensuing Financial Year. Mr. Mukherjee
Iyer offered a hearty welcome to Mr. Fidai Haji and
requested him to take the chair. On the motion duly
seconded by Mr. A. Prabhu Rao and carried nem con Mr. S.
Abdul Majid took the chair.

12. Proposed by Mr. Subbaraya Shetty
Mr. C. Krishnaswamy Aiyer and seconded by Mr. A. Mohan
Rao that the appointment of the Board of Directors of Mr.
Ramanathan's valuable services during the period he was on
the Board both as Government Director and as Chairman be recorded
and conveyed to him.

The motion was carried nem con.

13. Read letter from Mr. P. Narayana Shetty regretting
his inability to attend the meeting.

Recorded.

14. The motion convening the meeting was read by the
General Manager.

The proceedings of the last meeting held on 9th December 1879 being duly
circulated to the Directors were taken as read and confirmed

15. (1) Received the accounts and Directors' Report for
the year 1879-80 audited and certified by Messrs. Mullick &
Purohit, the Company's Auditors for 1880. As the are hereby
adopted with the exception of one item of Rs. [illegible]

Mr. S.C. Sen of Calcutta which the Board resolved to be kept alive pending result of execution proceedings under the decrees obtained against him.

(2) The draft of the Directors' Report to accompany the audited Balance Sheet for the year 1934 was approved.

(3) Read General Manager's note proposing that the sum of Rs.60- 8- 0 due from one Keshav Narayan, a former employee of the Mills, which is irrecoverable be written off.

Approved.

(4) Read General Manager's notes regarding the inclusion of the following items of debts due to the Mills under the head "Debtors" a corresponding provision being made under the head of "Reserve for Bad and Doubtful Debts", in the circumstances explained in the notes:-

	M. Gangappa	Rs. 3,033 7 0
	B. K. Garudachar	25,402 13 5
	Reliance Bank at Lahore	180 10 10
&	Manjappa Udupar & brothers	16,314 7 5.

Resolved that the adjustments in the accounts proposed by the General Manager be approved.

(5) It was resolved that the date for the annual General Meeting of shareholders be fixed for Saturday, 23rd March 1935 at 4 P.M., in Rangacharlu Memorial Hall, Mysore, to transact the following business:-

(i) To adopt the Directors' Report and Audited Statements of accounts of the Company for the period ended 31st December 1934.
(ii) To elect a Director.
(iii) To appoint Auditors for the current year and fix their remuneration.
(iv) To transact any other business which the Chairman might bring before the Meeting.

VI. Trading Account for the month of January 1935.

The Directors noted with gratification that the working for the month has resulted in a net profit of - Rs.2,723/- after providing in full interest charges at 5½ % amounting to Rs.10,406/- due to Government.

VII. G.O. No.Fl.7038-40 G.F.1-34-8 dated 26th February 1935 extending the concession regarding drawings from the Treasury without maintenance of the margin and preparation of margin statement till the end of June 1935.

R e c o r d e d.

VIII. The General Manager explained to the Board the circumstances in which the following Agency arrangements were made and the terms and conditions of the Agencies:-

1) Sale of Waste — Mr.S. Mohamed Ghouse, Bangalore.
2) Sale of yarn & hosiery — Mr.N. T. Srinivasan.

A p p r o v e d.

IX. The following applications for the transfer of shares were approved:-

S.No.	Name of transferer.	Cert. Nos.	Distinct. Nos.	L.F.	Shares held	trsfd.	Blce.	Name of transferee.
942	E.H.M. Bower & I.M. Bower, Ootacamund.	368/309 1571	72548-87	10/234	50	50	..	Rajammal, Bangalore City.
943	Y.S. Mahabala Jois, Bangalore City.	5155/954 65/37	31190-209 17082-701 17072-681	10/125	250	50	200	A. Badrinarayana Setty, Bangalore.
944	P.V. Narasimhiah, Bowringpet.	3312	30876-883	9/370	8	8	..	H.A.R. Mohamed Sait & Sons, Bangalore City.
945	B.J. Deshponde,	3170	33310-319	10/740	20	20	..	-do-
946	---- Dharwar	6557	53031-40	10/140	10			
947	K. Rangaswamy Iyengar, Madras.	0438	17020-045	9/349	20	20	..	- do -
948	B.Mallappa, Hospet	1210	57667-668	4/33	2	2	..	- do -

X. Read General Manager's note recommending that in the circumstances explained by him, the Government Auditor Mr. A.N. Chaluvaiya's pay be raised from Rs.200/- to Rs.250/-.

Resolved that the Government Auditor Mr.A. N. Chaluvaiya's pay be increased from Rs.200/- to Rs. 240/-.

XI. The General Manager brought to the notice of the Board that there was no definite rule regarding the period of notice to be given in the case of termination of the services of employees of the Mills, other than those employed on the wage-rolls and he recommended that in the case of the following staff it may be made clear that their services would ordinarily be terminable at two months' notice:- Works Manager, Spinning Master, Engineer, Overseer, Asst. Spinning Master, Medical Officer, Hosiery Assistant, Dye House Asst., Supervisors, Foremen and ministerial establishment both attached to the ractory and in the Office.

Resolved that the General Manager's proposal be approved and that the services of the above staff be deemed to be under contract subject to termination ordinarily at two months' notice.

XII. Read General Manager's note recommending that a contribution of Rs. 2,125-15- 0 equivalent to the amount recovered from the staff towards the Staff Provident Fund be sanctioned for the year 1934:-

S a n c t i o n e d.

XIII. The General Manager placed before the Board a statement

statement of payments made from the Gratuity Fund to the workpeople since the date of the last meeting.

R e c o r d e d.

XIV. Question of appointing Messrs. N. Sirur & Co., as Managing Agents and consideration of the draft agreement relating thereto.

The Chairman explained that Messrs. N. Sirur & Co., had expressed their inability to act as General Managers as resolved by the Board at the last meeting held on 29th December 1934 and that they desired that they be appointed as Managing Agents in terms and conditions of the draft agreement proposed by them. The Chairman said that Government were agreeable to Messrs. N. Sirur & Co's request being allowed and he placed before the Board for their consideration the draft agreement relating to the Managing Agency.

The Board, after consideration of the draft Managing Agency Agreement Resolved -

(1) That in modification of the previous resolution recorded at their meeting held on 29th December 1934, Messrs.N. Sirur & Co., be appointed Managing Agents of the Company.

(2) That an Agreement be concluded with Messrs.N. Sirur & Co., in terms of the draft agreement proposed by them and amended by the Board which agreement with the amendments effected by the Board is set out in Annexure 'A'.

(3) That the necessary consequential amendments to the Articles of Association of the Company in the manner

set

set out in Annexure 'B' be effected.

(4) That an Extraordinary General Meeting of the Shareholders of the Company be convened on Saturday the 23rd March 1935 at 5 P.M., in the Rangacharlu Memorial Hall for the purpose of passing as an'Extraordinary Resolution' the amendments to the Articles of Association as set out in Annexure 'B' and that a subsequent meeting be convened on Monday the 8th April 1935 at the place and time aforesaid for confirming such extraordinary resolution as a 'Special Resolution'.

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H. 3. 35

Chairman

ANNEXURE 'A'.

Draft proposed by Messrs.N. Sirur & Co.

Modifications suggested by the Board of Directors noted in the margin in square brackets.

ARTICLES OF AGREEMENT made and entered into this day of between Sri Krishnarajendra Mills, Ltd., Mysore, a company registered under the Mysore Companies Regulation 6 of 1917 and having its registered office in Mysore (hereinafter called "the said Company") of the one part and Messrs. N. Sirur & Co. (hereinafter called "the said Firm") of the other part.

Whereas the said Firm has agreed to take over the management of the said company subject to the terms and conditions hereinafter appearing AND WHEREAS by a Deed of Mortgage dated the 9th day of December 1951 the said Company mortgaged its fixed assets as therein mentioned to the Government of His Highness the Maharaja of Mysore (hereinafter called "the said Government") to secure the sum of Rs.15 lakhs with interest thereon at the rate of 5% per annum AND WHEREAS by an Agreement also dated the 9th day of December 1951 the said Government agreed to lend to the said Company the aggregate sum of Rs.5 lakhs carrying interest at the rate of 5% per annum by way of a Cash Credit upon the security of the goods therein mentioned. NOW THESE PRESENTS WITNESS and it is hereby mutually agreed by and between the parties hereto in manner following that is to say :-

1. The person or persons for the time being constituting the said firm of Messrs.M. Sirur & Co., shall be agents of the said Company for a period of ten years from/and thereafter by mutual consent between the said firm and the said Company on such terms and conditions as may be determined at the time, but with liberty to the said firm to resign such appointment and to retire from the said Agency at any time by six calendar months' notice in writing to the said company/provided nevertheless that if at any time during the said period of ten years the said Government shall intimate to the said company that it is the desire of the said Government that the said Agency be determined and provided that the said sums of Rs.16 lakhs and Rs.8 lakhs or any part thereof shall then still be due by the said Company to the said Government then and in such case the said company shall be at liberty to determine this agreement by six calendar months' notice in writing to the said firm.

/But subject to the approval of the said Government/

2. The said firm shall take over the management of the said Company in the condition that it may be on the date on which the management is transferred to them. The said firm shall have liberty to make such changes in the personne

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of the staff of the said company which may be considered necessary but subject to Art.126 (23) and with the previous sanction of the Board of Directors of the company in all cases where contracts for service are intended which shall not be terminable by one month's notice or less.

3. The remuneration of the said firm as such Managing Agents shall be as follows:-

a) From and after the date of taking over the management of the said firm a commission at the rate of ten per cent per annum on the annual net profits of the said company after making all proper allowances and deductions from revenues for interest on loans and deposits and for working expenses chargeable against profits but without making any deductions for or in respect of income-tax or super-tax or in respect of any amount carried to depreciation, insurance, reserve or sinking fund or any other special fund or in respect of any expenditure on capital account and such commission shall become due to the said firm yearly after the annual accounts of the said company have been passed by the shareholders.

b) A sum of Rupees Seven Hundred and fifty per month as an allowance subject to the condition that the allowance shall not be drawn by

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by the said firm if the said company shall be unable to pay the whole or any portion of the interest then due and payable to the said Government on the loans advanced by the Government to the said company as aforesaid and accordingly at the beginning of every half year the Board of Directors of the said company shall scrutinise the accounts of the said company for the preceding half year and decide whether the condition of the accounts permits that the said firm should draw the said monthly allowance for such preceding half year or not. Any allowance or part of the same not so drawn as afore said shall be credited to the account of the firm and shall be drawn by the firm as and when the interest due on the loans advanced by the said Government shall have been paid provided that such amount at credit shall not be payable merely on the ground of termination of appointment.

/out of profits earned by the said Company/

Provided that the before-mentioned commission and the monthly allowance shall be exclusive of all salaries or wages of assistants, clerks or other employees engaged by the said firm for the company's business and of all remuneration or wages which shall be payable to the Solicitors, Accountants Bankers, Engineers, Experts, Managers, Secretaries, Commission Agents, Dealers, Brokers or other Officers

servants

servants or workmen who may be employed by the said firm for or on behalf of the said company or any other expenses properly incurred for carrying on and conducting the business of the said company all of which expenses shall be paid by the said Company.

Provided further that the monthly allowance payable to the said firm as aforesaid shall be included in the working expenses of the company in computing the results of the year's working.

4. The said Firm hereby agree with the said Company that subject to their right to terminat this agreement in manner aforesaid they will be and act as Agents of the said Company for the remuneration hereinbefore mentioned and upon and subject to the terms and conditions herein contained and during such time as they hold Office of Agents of the said Company they will use their best endeavours to promote the interests and business of the said Company and will not divulge or make known any of the secrets or affairs thereof.

5. Subject to the control of the Board of Directors and to the provisions of Clause 2 hereof the said Firm shall have the general conduct and management of the business and affairs of the said Company and in particular shall have power on behalf of the said Company to enter into arrangements with any

Government

[and supervision]---

[to their sanction in such matters as may be specified from time to time by them]

Government or authorities Supreme Municipal Local or otherwise and to obtain from any such Governme or Authority all rights concessions licenses leas and privileges And to institute conduct defend compromise refer to arbitration and abandon legal and other proceedings and claims by and against t said Company and the Directors and the Officers o the said Company and otherwise concerning the affairs of the said Company And to purchase provi maintain and keep up such immoveable and moveable property machinery & implements or stock whether stationery or otherwise and all other things necessary for the said Company And from time to time to sell or dispose of the same or any part t thereof And to execute become parties to and wher necessary to cause to be registered all deeds agreements contracts receipts and other documents And to insure the property of the said company fo such purposes and to such extent and in such mann as the said firm may think proper And to give effectual receipts and discharges on behalf of an again t the said Company for any moneys funds goo or property lent to or payable or belonging to said Company And to draw accept endorse negotiate and sell Bills of Exchange and Hundies with or without security and to draw cheques against the monies of the said Company And to purchase and sel

and

and for that purpose to sign endorse and transfer Government Promissory Notes or other Securities issued by the Government of India and standing in the name of the Company or any bonds of any public authority and to collect and give receipts for the dividends or interest from time to time due or to become due on any such securities and to appoint and employ in or for the purpose of the transaction and management of the affairs and business of the said Company or otherwise for the purposes thereof and from time to time to remove or suspend such Solicitors Accountants, Bankers, Engineers Experts Managers Secretaries Commission Agents Dealers Brokers and any other persons as they shall think proper with such powers and duties and upon such terms as to duration of office remuneration or otherwise as the said Firm shall think fit and to delegate all or any of the powers authorities and discretions for the time being vested in the said Firm And also from time to time to provide by the appointment of an Attorney or Attorneys manager or managers for the management and transaction of the affairs of the said Company in any specified locality and Generally to make all such arrangements and do all such acts and things on behalf of the said Company as may be necessary/expedient.

6. The said Firm shall keep proper and complete books of account of the dealings and working of the said Company and shall prepare and keep or cause to be prepared and kept therein complete accounts of all purchases and sales and of all receipts and disbursements made and received and paid by the said firm for and on behalf of the said Company and the said Firm shall also prepare and keep or cause to be prepared and kept such further and other accounts of the said Company as the Directors shall from time to time direct.

7. The said Firm shall have charge and custody of all the property books of account papers documents and effects belonging to the said Company wheresoever situate and being.

8. The said firm shall be at liberty from time to time to retain reimburse and pay themselves out of the monies of the said Company and subject to the Provision of Clause 5 (b) hereof the before-mentioned allowance and all expenses incurred in connection with the establishment maintenance management and upkeep of the said Company's office and all salaries wages or remuneration of Solicitors Accountants Bankers Engineers Experts Managers Secretaries Commission Agents Dealers Brokers or other Officers servants or workmen and all monies

expensed

expended or disbursed by them for and on behalf of the said Company on any account whatsoever from the date of taking over the management of the said Company and all sums due to the said Firm for Commission or otherwise.

9. One of the members for the time being of the said Firm shall be ex-officio a Director of the said Company and if unable to attend at any Board Meeting such ex-officio Director shall be at liberty to appoint a substitute Director to attend in his absence.

10. Subject to the approval of the Board of Directors of the said Company it shall be lawful for any member of the said Firm to assign the whole or any portion of his interest in the said Firm or to withdraw from the said Firm altogether without thereby in any way affecting the appointment of the said Firm as such Agents as aforesaid.

11. It is hereby expressly agreed and declared that if at any time during the continuance of the Agency the said Firm shall be constituted differently from what it is at the date of these presents and the appointment of the said Firm as such Agents as aforesaid hereby made shall be held or construed not to be valid in law by reason of

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one or more or all of the partners thereof not having been partners at the date of these presents or not having ~~been partners at the~~ executed the same or otherwise then and in such case these presents shall nevertheless be construed and taken as amounting to an agreement between the said Company of the one part and the present members of the said Firm of the other part that the said Company its successors and assigns shall appoint the Firm as to differently constituted as aforesaid to be the Agents of the said Company its successors and assigns for the term and with the like powers and authorities remuneration and emoluments and subject to the like terms and conditions as are herein contained. /

/provided that the change in the constitution of the said firm has been effected with the previous approval of the Board of Directors./

/Subject to the approval of the Board of Directors/ It shall be lawful for the said Firm to assign this Agreement and the rights of the said Firm hereunder to any private limited Company into which the said Firm may hereafter be converted formed under either the English or Indian Companies Acts and having authority by its constitution to become bound by the obligations undertaken by the said Firm hereunder; and upon such assignment being made and notified to the Company the Company shall be bound to recognise the private limited Company aforesaid as the Agents of the Company in like manner as if

as if the name of such private limited Company had appeared in these presents in lieu of the names of the partners in the said firm and as if such private limited Company had entered into this Agreement with the Company and the Company shall forthwith upon demand by the said firm enter into an Agreement with the private limited Company aforesaid appointing that Company the Agents of the Company for the then residue of the term outstanding under this Agreement, and with the like powers and authorities, remuneration and emoluments and subject to the like terms and conditions as are herein contained.

3. In the event of the said company being at any time during the continuance of the Agency wound up for the purpose and with the object of transferring its business to another company the said Company shall make it one of the terms and stipulations of the agreement for transfer of its property and business to such other company as aforesaid that such other company shall appoint the said firm to be the Agents of such new Company for the period and with the like powers and authorities to the said firm and on the same terms and conditions as to remuneration emoluments and otherwise as are herein contained and it is hereby expressly agreed and declared that save and except with such conditi

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and stipulation as one of the terms ofthe sale and transfer thereof the said Company will not sell and transfer its business to any other company.

14. In the event of any dispute or difference at any time arising between the said Firm and the said Company in respect of this Agreement on the several matters specified herein or with reference to anything arising out of or incidental thereto such dispute or difference shall be submitted to and be decided by the arbitration of two Arbitrators one to be named by each party to the dispute or difference which Arbitrators shall appoint an Umpire before taking upon themselves the burdens of the reference and this Agreement shall be deemed to be a submission to the arbitration of two Arbitrators within the meaning of the Mysore Arbitration Regulation No.1 of 1917 and all the Provisions of that Regulation (except as hereby expressly varied) or of any Regulation of the Legislature passed in substitution therefor or in modification thereof and for the time being in force shall be deemed to apply to any reference hereunder.

15. This Agreement shall be subject to the terms and conditions in the two Agreements dated 9th December 1931 between the Government of Mysore

and

and the Company, except in so far as the Agents shall not be personally liable for the payment of either the interest or the principal of the loans to the Government (or for any other payment or expenditure thereunder) other than from the assets of the revenue of the Company.

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H. 3.85

EXURE 'B'. 1. In Article 2 after clause 'Auditors' addthe following -

"Agents" 'Agents means the secretaries Treasurers and Agents for the time being of the Company'.

2. For Article 3 substitute the following:-

"Company to enter into agreements" "The Company shall enter into the following agreement:-

"An agreement between the Company of the one part and Messrs.M. Sirur & Co of the other part in terms of the draft set out in the schedule annexed whereby the Company will appoint the firm of Messrs.M. Sirur & Co the Agents of the Company for the period, upon the terms and at the remuneration therein provided."

3. In Article 76 substitute the word "Agents" for the words "General Manager" in the 1st and 2nd lines.

4. In Article 77 substitute "Agents" for "General Manager" in the second line.

5. In Article 104 substitute 'seven' for 'six'. ~~one~~

6. Insert the following as Article 105:-

"Ex-officio Directors" "During such time as Messrs.M. Sirur & Co or their successors and assignees shall be Agents of the Company they shall have the right to appoint one Director of the said firm as ex-officio director with power to remove such Director from time to time or to appoint ~~another~~ ~~in his~~ ~~place~~ another in his place. The Director appointed under this Article is herein referred to as 'ex-officio' Director' and the term 'ex-officio Director' means the Director for time being in office under this Article."

7.

7. Article 108- line2: After "Government Director" insert the words "ex-officio Director."

8. Article 109- line 2: After "Government Director" add the words "The Ex-officio Director".

9. Article 112 - Clau o 1: Insert the words- "or a member of the Agent's Firm" between "or banker" and "is not to be considered an office".

10. Article 112-clause 4: After "Palace Director" in line 2 add the words "or ex-officio Director".

11. Article 113 : Insert the words "or by reason of his being a member of the firm of Agents of the Company, or by reason of his being interested or receiving any share in the commission earned by the Agents" between 'accessories or things for or to the Company' in line 7 and 'by reason of his or the firm of which he is a member' in line 10.

12. Article 114 - line 3: Insert the words "ex-officio Director" between 'Government Director' and 'and the Palace Director'.

13. Article 121 line 2: Substitute the word "Agents" for "General Manager".

14. Article 122 - line 3: Add the words "and the ex-officio Director" after "palace Director".

15. Article 125: Delete the words "The business of the Company shall be managed by" in the beginning of the sentence

and also delete the word 'the' appearing between "the Director and "in addition" in the first line.

16. Article 136 clause 2: Insert the following as Clause 2:-

"To execute agreement"

"To execute on behalf of the Company an Agreement in terms of the draft thereof already prepared purporting to be made between the Company of the one part and Messrs. Firur & Co of the other part which draft is set out in the schedule hereto with full power nevertheless to agree to any modification or alteration thereof

17. Article 136 Clause 20: Substitute the word "Agents" for'General Manager' appearing in line 1.

17. Article 139 line 1: Substitute the word "Agents" for "General Manager".

18. Article 131- Add "or the majority of Govt. Directors'between "Directors" and "shall".

19. Article 155: Insert "or by two Directors alone in case the same is an instrument in favour of the Agents" between 'countersigned by the Agents' and 'provided nevertheless'. Substitute "Agents" for "General Manager" in this article in lines 3 & 5.

20. Article 139: Insert the following as Article 139:

"Appointment of Agents"

"The firm of Messrs. Firur & Co and the partners or members for the time being constituting the said firm and their successors in business or assigns shall be and they are hereby appointed Agents of the Company for a period of ten years in terms of the agreement referred to in Art

31

3 (a) hereof and a draft thereof is set out in the schedule hereto such agreement to be subject to such modification if any as may be agreed to between them and the Directors."

21. Substitute the following for Articles 140 to 143:-

Article 140:-

"General management in the hands of the Agents"

"The General management of the business of the company subject to the control and supervision of the Directors and to the provisions of Article 126 hereinbefore mentioned, shall be in the hands of the Agents of the Company, who shall have power and authority on behalf of the Company, subject to such control and supervision, to make all purchases and sales and to enter into all contracts and to do all other things, usual, necessary or desirable in the management of the affairs of the Company or in carrying out its objects and shall have power to appoint and employ, or or for the purposes of the transaction and management of the affairs and business of the Company, or otherwise for the purposes thereof, and from time to time to remove or suspend such managers engineers clerks and other employees as they shall think proper, with such powers and duties and upon such terms as to duration of employment, remuneration or otherwise as they shall think fit."

Article 141:-

"Receipts and Cheques"

"Receipts signed by the Agents for any moneys or goods or property received in the usual course of business of the Company, or for any moneys, goods or property lent to, or payable or belonging to the Company shall be effectual discharges on behalf of and against the Company for the moneys funds or property which in such receipts shall be acknowledged to be received, and the person paying any such money shall not be bound to see to the application or responsible for any misapplication thereof. The Agents shall also have power to make, execute, draw, endorse, accept and negotiate promissory notes, bills of exchange hundies, bill of lading, railway receipts and other documents instruments of title on behalf of the Company.

Article 142:-

"Agents to have power to sub-delegate"

"The Agents shall be authorised to sub-delegate or any of the powers, authorities and discretions for the time being vested in them, in particular from time to time provide, by the appointment of an attorney or attorneys, for management and transaction of the affairs of Company in any specified locality, in such manner as they may think fit.

Article 143:-

"Agents may contract with any work for Company"

"Notwithstanding anything in those Articles contained, the Agents are expressly allowed generally to work for the Company and

especially to do the work of Agents to and Managers and consulting Engineers of the Company as provided by the preceding Articles and by the agreement referred to in the schedule hereof; and also to do any other work for the Company, upon such terms and conditions and under such remuneration as may from time to time be agreed upon between them and the Directors of the Company.

22. ~~Insert the following.~~ Article 169A: Substitute "Agents" for "General Manager" in the ~~second~~ 1st line.

23. Article 170: Substitute "Agents" for "General Manager" in the second line.

24. Article 171: Substitute "Agents" for "General Manager" in the second line.

25. Article 176: Add the words "Number of the Agents' Lien" after "Managing Director" in the first line and "Agents" in the second line.

26. Article 178: Substitute "Agents" for "General Manager" in the second line.

27. (Schedule).

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Mar 4. 38